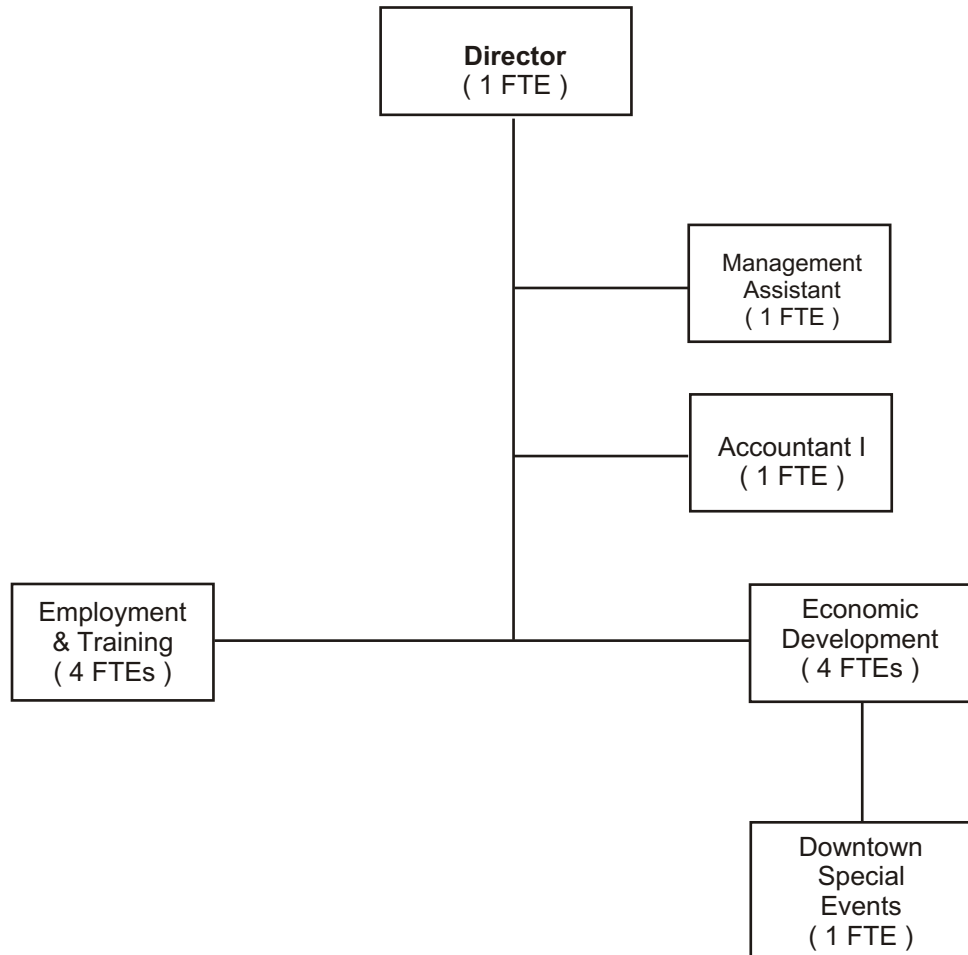




# Office of Economic & Employment Development

(12 FTEs)



## OFFICE OF ECONOMIC AND EMPLOYMENT DEVELOPMENT

### Mission

To develop and administer programs that generate quality jobs for Durham residents, train and place residents in jobs leading to self-sufficiency, support commercial revitalization and contribute to the non-residential tax base, with an emphasis on central Durham.

### RESOURCE ALLOCATION

|   | Actual<br>FY 2000-01 | Adopted<br>FY 2001-02 | Estimated<br>FY 2001-02 | Adopted<br>FY 2002-03 | Change  |
|---|----------------------|-----------------------|-------------------------|-----------------------|---------|
| <i>Non-grants</i>                         |                      |                       |                         |                       |         |
| Appropriations                            |                      |                       |                         |                       |         |
| Personal Services                         | \$ 272,279           | \$ 190,578            | \$ 172,213              | \$ 386,861            | 103.0%  |
| Operating                                 | 193,727              | 282,132               | 309,507                 | 394,076               | 39.7%   |
| Transfer to Employment<br>& Training Fund | 191,606              | 196,045               | 196,045                 | 196,045               | 0.0%    |
| Total Appropriations                      | \$ 657,612           | \$ 668,755            | \$ 677,765              | \$ 976,982            | 46.1%   |
| Full Time Equivalents                     | 5                    | 5                     | 5                       | 7                     | 2       |
| Part-time FTEs                            | -                    | -                     | -                       | -                     |         |
| Revenues                                  |                      |                       |                         |                       |         |
| General Fund                              |                      |                       |                         |                       |         |
| Discretionary                             | \$ 657,612           | \$ 668,755            | \$ 459,924              | \$ 897,702            | 34.2%   |
| Program                                   | -                    | 20,000                | 24,000                  | 24,000                | 20.0%   |
| Total General Fund Revenues               | \$ 657,612           | \$ 668,755            | \$ 677,765              | \$ 921,702            | 37.8%   |
| Downtown Assistance Fund                  | -                    | -                     | -                       | 55,280                |         |
|   | \$ 657,612           | \$ 668,755            | \$ 677,765              | \$ 976,982            | 46.1%   |
| <i>Grants</i>                             |                      |                       |                         |                       |         |
| Appropriations                            |                      |                       |                         |                       |         |
| Personal Services                         | \$ 239,864           | \$ 220,340            | \$ 220,340              | \$ 315,211            | 43.1%   |
| Operating                                 | 1,316,240            | 995,053               | 995,053                 | 832,053               | -16.4%  |
| Other                                     | -                    | 50,000                | 50,000                  | -                     | -100.0% |
| Total Appropriations                      | \$ 1,556,104         | \$ 1,265,393          | \$ 1,265,393            | \$ 1,147,264          | -9.3%   |
| Full Time Equivalents                     | 4                    | 5                     | 5                       | 5                     | 0       |
| Part-time FTEs                            | -                    | -                     | -                       | -                     |         |
| Revenues                                  |                      |                       |                         |                       |         |
| CDBG                                      | \$ 55,000            | \$ 14,522             | \$ 14,522               | \$ 50,070             | 244.8%  |
| Empl & Trng Grants                        | 1,501,104            | 1,250,871             | 1,250,871               | 1,097,194             | -12.3%  |
| Total Revenues                            | \$ 1,556,104         | \$ 1,265,393          | \$ 1,265,393            | \$ 1,147,264          | -9.3%   |
| Total Budget                              | \$ 2,213,716         | \$ 1,934,148          | \$ 1,943,158            | \$ 2,124,246          | 9.8%    |

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## FY 2002-2003 BUDGET ISSUES

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### ISSUE

Marketing Effect  
Promotional Materials  
Effectiveness of OEED Programs  
OEED Presence At Local And Regional Meetings  
Client Data Research  
Understaffing

### CONSEQUENCE

Less recruitment  
Selective distribution  
How to meet requests without intensive service  
Limited networking and access to current information  
Lack of current statistics  
Impact on above issues and consequences

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## SUPPORT OF CITY COUNCIL PRIORITIES

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### *Managing Growth:*

- To develop and administer programs that support commercial revitalization with an emphasis on central Durham

### *Eliminate Poverty:*

- To develop and administer programs that train and place people in jobs leading to self-sufficiency with an emphasis on central Durham
- To develop and administer programs that provide quality jobs for Durham's citizens with an emphasis on central Durham

### *Fiscal Responsibility:*

- To develop and administer programs that contribute to the non-residential tax base with an emphasis on central Durham

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## DEPARTMENTAL EFFICIENCY MEASURES

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- Present departmental staff of 7 has continued to maintain level of services to the public by working extra hours and absorbing additional responsibilities due to position vacancies.
- Current budget reflects the incorporation of the Special Events program previously funded and executed under the Parks and Recreation budget to complement the department's ongoing efforts relative to downtown revitalization

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## UNFUNDED ITEMS

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There are no un-funded items in the department's FY 2002-03 budget.

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## PROGRAMS

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### **Economic Development**

**\$780,937**  
**7 FTEs**

The Economic Development unit develops programs that generate quality jobs, support revitalization, and increase the non-residential tax base. Businesses are encouraged to expand and locate in Durham through marketing, research, financing, and community partnerships. This year's operating budget also includes funding in the amount of \$13,382 to complement non-city agency funding for the Small Business Development and Technology Center.

**GOAL:** To increase Durham City's non-residential tax base by retaining and bringing in new businesses.

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**OBJECTIVE:** To increase the percentage of employers and developers attracted to Durham by 20% from FY 2001 to FY 2003.

**STRATEGY:** To recruit new businesses by marketing targeted development sites and promoting the City's incentive programs.

| <b>MEASURE:</b>   | <b>Actual<br/>FY 2001</b> | <b>Adopted<br/>FY 2002</b> | <b>Estimated<br/>FY 2002</b> | <b>Adopted<br/>FY 2003</b> |
|---|---------------------------|----------------------------|------------------------------|----------------------------|
| % increase in businesses started or expanded due to OEED assistance | 20.0%                     | 25.0%                      | 20.0%                        | 20.0%                      |

**OBJECTIVE:** To retain and expand existing businesses.

**STRATEGY:** Provide support and information as well as financial incentives.

| <b>MEASURE:</b>  | <b>Actual<br/>FY 2001</b> | <b>Adopted<br/>FY 2002</b> | <b>Estimated<br/>FY 2002</b> | <b>Adopted<br/>FY 2003</b> |
|--|---------------------------|----------------------------|------------------------------|----------------------------|
| % increase in new jobs created by companies receiving OEED assistance (from FY 2000) | -                         | 34.2%                      | 0%                           | 37.5%                      |

**OBJECTIVE:** To improve Durham's image as a location for doing business.

**STRATEGY:** Hold an annual event that benchmarks Durham's economic progress and provide current economic information to the elected officials, the press, and the citizens.

| <b>MEASURE:</b>  | <b>Actual<br/>FY 2001</b> | <b>Adopted<br/>FY 2002</b> | <b>Estimated<br/>FY 2002</b> | <b>Adopted<br/>FY 2003</b> |
|--|---------------------------|----------------------------|------------------------------|----------------------------|
| Top-10 ranking in overall economic performance in North Carolina (out of 100 counties) | 6th                       | 1 <sup>st</sup>            | *1st                         | 5th                        |
| *THIS MEASUREMENT WAS NOT CONDUCTED IN NORTH CAROLINA FOR 2001-2002.                   |                           |                            |                              |                            |
| % of businesses rating Durham as "quality" or better as a place to do business         | N/A                       | 60%                        | 60%                          | 70%                        |

## **Employment & Training**

**1,147,264  
5 FTEs**

The Employment and Training unit administers Federal, State and Local funds to be used to train Durham citizens and place them in jobs. The Office is the administrative entity for the joint program between Durham City and Durham County.

**GOAL:** To administer activities that place Durham citizens in high quality job and emphasize job retention while heightening skill level and earnings resulting in welfare dependency reduction.

**OBJECTIVE:** To train and place Durham residents in quality jobs.

**STRATEGY:** To expand outreach and opportunities at the Durham JobLink Center and maximize impact of Welfare to Work grants through increased support and retention services.

| <b>MEASURE:</b>   | <b>Actual<br/>FY 1999</b> | <b>Adopted<br/>FY 2001</b> | <b>Estimated<br/>FY 2001</b> | <b>Adopted<br/>FY 2002</b> |
|---|---------------------------|----------------------------|------------------------------|----------------------------|
| % Increase of citizens receiving service at the JobLink Center (from FY 2000) | N/A                       | 5.0%                       | 5.0%                         | 10.0%                      |
| % increase of citizens placed in jobs through programs (from FY 2000)         | N/A                       | 0%                         | 0%                           | 10.0%                      |
| % increase of Welfare recipients placed in employment (from FY 2000)          | N/A                       | 20%                        | 20%                          | 25.0%                      |

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## INITIATIVES COMPLETED FY 2001-2002

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- With staff of two, assisted over 175 new clients – individuals, businesses, and development projects -- that have or will create new jobs and tax base for the City. Major successes include Durham Regional Financial Center on West Chapel Hill Street, Triangle Biotechnology Center on Foster Street and Valcor, Inc. at the former International Paper site (all 3 downtown)
- Currently six active Downtown Loan Pool loans in partnership with 5 local banks totaling \$2,700,000 (City total \$1,220,000) which increase tax base, create jobs and renovate historic buildings in Downtown Durham
- With other City staff, developed the updated Sales and Solicitation Ordinances
- Produced third annual STATE OF DURHAM ECONOMY Breakfast and Report
- As part of the implementation of the Downtown Master Plan, developed a Downtown Street Improvement Steering Committee of 25 residents, property and business owners, architects and planners to advise and recommend streetscape and infrastructure improvements beginning with Chapel Hill, Main, Parrish and Corcoran streets
- Monitor completion of commercial revitalization projects, with emphasis on achieving “bricks and mortar” improvement in neighborhood commercial corridors
- Met 5 out of 6 State and Federal performance standards of the Workforce Investment Act, earning incentive funds
- JobLink Career Center served 47,836 citizens, with 3,682 placed in employment
- Served 350 Welfare to Work participants and placed 175 in employment opportunities
- Expanded summer program opportunities by developing a cooperative program with the Chamber of Commerce and Employment Security Commission resulting in over 200 Durham youth gaining summer work experience
- Managed \$1.87 million in Federal funds with no audit exceptions.

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## MAJOR INITIATIVES FY 2002-2003

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- Continue implementation of Downtown Master Plan, particularly:
  1. Construction phase of Chapel Hill, Main, Parrish, Corcoran and Five Points to begin Spring 2003
  2. Enhancement of Parrish Street by working with National Development Council for the economic redevelopment
  3. Redevelopment plan for the Woolworth property through demolition and development of new building site
  4. Developed Streetscape Guidelines as part of Downtown Design Zoning Overlay to create a unified appearance throughout Downtown Durham Districts for City and private developers
  5. Downtown Districts: designation of Brightleaf District, Bull Durham District, Central Park District, City Center, Government Services District and Warehouse District as part of informational and directional signage system throughout Downtown Durham
- Assess business recruitment efforts and alter marketing strategy as necessary
- Continue greater emphasis on “targeted vacant building” marketing efforts
- Continue targeting vacant or underutilized buildings in City Center
- Assist Loan Review Committee
- Enhance JobLink Career Center System with JobLink Satellite Sites to make employment and training information more accessible throughout Durham’s Community Development areas
- Use new Census data to revise targeted Community Development program areas
- Use the Workforce Development Board to implement new strategies in partnership with the business community